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February 13, 2001

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Ms. Cynthia L. Johnson
Director, Cash Management Policy and Planning Division
Financial Management Service
U.S. Department of the Treasury
Room 420
401 14th Street, S.W.
Washington, D.C. 20227

J. Gregory Bedner
President & CEO
ADI Technology Corporation

Jay Killeen
Senior VP, Government Affairs
Science Applications International
Corporation

Dear Ms. Johnson:

On behalf of the members of the Professional Services Council, I am writing to request that OMB revise its interim final rule on the Prompt Payment Act (PPA) implementing Section 1010 of the National Defense Authorization Act for Fiscal Year 2001.

Lee Cooper
Vice President, Business
Development
Unisys Federal Systems

As background, PSC is the principal national trade association representing the professional and technical services industry. Primarily, these services are applications of professional, expert, and specialized knowledge in areas such as defense, space, environment, energy, education, health, international development, and others used to assist virtually every department and agency of the federal government, state and local governments, commercial, and international customers.

Joseph M. Kampf
President & CEO
Anteon Corporation

President

Stan Z. Soloway

PSC urges the Office of Management and Budget to amend the interim final rule so that the final rule is consistent with the intent of Congress, as reiterated in a recent letter from Senate Armed Services Committee Chairman, Senator John Warner to OMB. Specifically, Congress intended for all cost reimbursement contracts for services requiring interim payments to fall under the requirements of section 1010 of the National Defense Authorization Act for Fiscal Year 2001. However, as written, the interim final rule makes the requirement applicable only to contracts awarded on or after the effective date of the statute, December 15, 2000. The interim final rule also gives agency heads discretion as to its application to contracts in existence on that date. The statute makes no distinction between contracts in existence prior to December 15, 2000, and contracts awarded on or after that date. Congress, in passing this statute, sent a clear signal that agencies that purchase services from their private sector partners have an obligation to pay those private sector firms in a timely fashion – under 30 days – and, failing that, shall pay an interest penalty.

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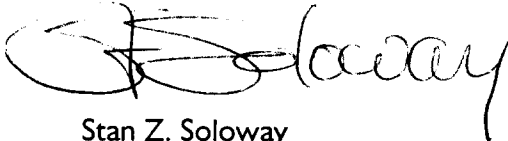
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It would be counterintuitive to interpret this statute as applicable to a particular subset of qualifying contracts.

As such, PSC requests that the interim final rule be amended without delay to bring it into conformance with the intent of section 1010. If you have any questions, please feel free to call me at (703) 875-8059.

Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Stan Z. Soloway", with a large, stylized initial "S" and "Z".

Stan Z. Soloway
President

cc: The Honorable John Warner, United States Senate
The Honorable Carl Levin, United States Senate
The Honorable Mitchell E. Daniels, Jr., Director, Office of Management and Budget
The Honorable Bob Stump, United States House of Representatives
The Honorable Norman Sisisky, United States House of Representatives
The Honorable Tom Davis, United States House of Representatives
Mr. Dave Oliver, Acting Under Secretary of Defense,
Acquisition, Technology and Logistics
Mr. Bruce Dauer, Acting Under Secretary of Defense, Comptroller